



Bush Administration



Strategy for Targeting Organized Piracy



Accomplishments and
Initiatives



March 2007



BUSH ADMINISTRATION STRATEGY TARGETING ORGANIZED PIRACY

March 2007

“In order to keep this economy innovative and entrepreneurial, it's important for us to enforce law, and if the laws are weak, pass new laws, to make sure that the problem of counterfeiting, which has been growing rapidly... is held in check.”

- President George W. Bush

Innovation is the foundation of the 21st Century economy, and our competitive advantage in innovation is only as good as our ability to protect our intellectual property, the source of innovation. And to protect our IP we need to ensure there is a level playing field for American businesses worldwide, free of counterfeiting and piracy.

In October of 2004, the Bush Administration announced an initiative that reinforced this objective – the Strategy Targeting Organized Piracy (STOP!). STOP! is led by the White House and brings together the Department of Commerce, the Department of Justice, the Department of Homeland Security, the Food and Drug Administration, the State Department, and the Office of the U.S. Trade Representative. STOP! is the most comprehensive initiative ever advanced to fight global piracy by systematically dismantling piracy networks, blocking counterfeits at our borders, helping American businesses secure and enforce their rights around the world, and collaborating with our trading partners to ensure the fight against fakes is global.

The problem of piracy and counterfeiting confronts many industries, exists in many countries, and demands continuous attention. That's why this Administration is committed to stopping trade in pirated and counterfeit goods. And through President Bush's leadership, we created a five-point plan under STOP!:

1. Empower American innovators to better protect their rights at home and abroad
2. Increase efforts to seize counterfeit goods at our borders
3. Pursue criminal enterprises involved in piracy and counterfeiting
4. Work closely and creatively with U.S. industry
5. Aggressively engage our trading partners to join our efforts

Through effective coordination, we have effectively implemented this plan: U.S. government agencies are working more closely together, and we have made significant progress. In September of 2006, the Office of the U.S. Coordinator for International Intellectual Property Enforcement released its first Annual Report to the President on the Coordination of Intellectual Property Enforcement and Protection. This new and improved report for the National Intellectual Property Law Enforcement Coordination Council (NIPLECC) details the Administration's collaborative interagency work in achieving these goals.

We are achieving results, maintaining the commitment of senior Administration officials, institutionalizing an unprecedented level of coordination within the federal government, and receiving attention around the world. The message that we are delivering is that the United States takes the issue of intellectual property (IP) enforcement very seriously; we are leveraging all of our resources to address the problem; and we have high expectations of all of our global trading partners.

The following pages describe the approaches we are taking and the results we have achieved.



EMPOWER AMERICAN INNOVATORS TO BETTER PROTECT THEIR RIGHTS AT HOME AND ABROAD

“We believe that successful 21st century economies will be those that unleash the power of private enterprise and innovation. Innovation is the most important resource in our increasingly knowledge-based economy. Global trade in pirated and counterfeit goods threatens innovation.”

- Secretary of Commerce Carlos Gutierrez

To help American innovators secure and enforce their rights across the globe, we have new federal services and assistance:

We created a hotline (1-866-999-HALT)—staffed by specialized attorneys at the U.S. Patent and Trademark Office—and an online complaint form at Stopfakes.gov—monitored by the International Trade Administration’s trade compliance team—who counsel businesses on how to protect their intellectual property rights (IPR) and work with callers on how to best resolve problems. In FY 2006 the Hotline received over 1,400 calls. ITA’s trade compliance team has received 160 formal inquiries from individuals or companies through the STOP! Fakes website.

The STOP! Fakes website (www.stopfakes.gov), its online complaint form, and brochures provide resources such as one-on-one consultations and further information and guidance to rights holders on how to register and protect their IP in markets around the world. The Stopfakes.gov website had more than 44,000 visitors in CY 2006.

We created downloadable “IP toolkits” to guide businesses through securing and enforcing their rights in key markets around the globe. These toolkits are available at the Stopfakes.gov website and cover key trading partners such as China, Russia, India, Mexico, Korea, Malaysia, and Taiwan.

In 2006, the monthly China IPR webinar series held nine online training seminars for U.S. industry, reaching 400 online participants; and each session made available for downloading on a site which received 3,000 visits.

In November 2005—along with our co-sponsors the American Bar Association, the National Association of Manufacturers, and the American Chamber of Commerce in China—we launched the China Advisory Program offering small and medium-sized U.S. businesses free IPR consultation with an attorney. The China Advisory program has been utilized by 47 companies since its inception. And, in September of 2006, the International IPR Advisory program was launched following the model of the China Advisory program. The International Advisory Program covers other major world markets, including Brazil, Egypt, India, Russia, Thailand, and Turkey.

We are continuing to expand our IP attaché program. IP attachés are stationed in embassies around the world to enhance our ability to work with local government officials to improve IP laws and enforcement procedures in assisting U.S. businesses to better understand the challenges of protecting and enforcing their IPR. In China, the program has been expanded to include attachés in Beijing and Guangzhou. Attachés have recently been deployed to posts in Brazil, Russia, India, Thailand, and the Middle East.

Also, we continue to provide training for U.S. embassy personnel to be first responders to IPR issues in order to identify problems abroad and assist rights holders before fakes enter the market and the supply chain.



INCREASE EFFORTS TO SEIZE COUNTERFEIT GOODS AT OUR BORDERS

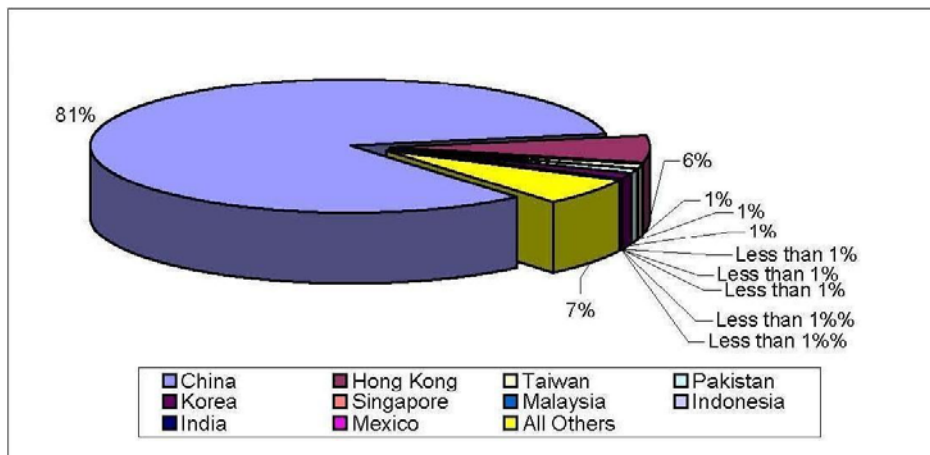
“Illicit profits from counterfeit or pirated goods are one way for criminal networks to finance their heinous activities. We are confronting counterfeiters with the full force of the law and we’re moving aggressively to seize their assets and put them out of business.”

- Secretary of Homeland Security Michael Chertoff

We need to increase our efforts to stop fake and counterfeit goods at America’s borders:

The Department of Homeland Security (DHS), through the enforcement efforts of U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE), is a key player in the STOP! Initiative, working to stop counterfeiters and pirates from bringing fake products into the United States. In FY 2006, DHS seized 14,675 shipments of counterfeit and pirated goods valued at more than \$155 million, compared to 8,022 shipments of approximately \$93 million in FY 2005.

The following chart provides a break down of the major countries from which CBP IP-related seizures originated in FY 06:



U.S. Customs & Border Protection (CBP) has implemented a new risk assessment model and technologies to cast a wider, tighter net on counterfeit and pirated goods and to stop these goods at our borders. CBP’s risk assessment model uses several sources of data, including historical seizure information, to target high-risk cargo while facilitating the flow of legitimate goods.

CBP added a new enforcement tool to complement traditional physical examination of goods at the border with post-entry verifications (IPR audits). CBP now issues penalties on imports of fakes uncovered during IPR audits, and works with businesses to develop internal control systems to prevent imports of counterfeits.

Additionally, an online recordation tool is available for rights holders to record their trademarks and copyrights with CBP. Recordation provides a higher level of protection for trademarks and copyrights by making it easier for CBP to identify fake goods at our borders. CBP’s online recordation tool is linked to the U.S. Patent and Trademark Office and Copyright Office’s websites. This resource helps businesses protect their rights. To date, CBP has approved approximately 2,000 e-recordations of copyrights and trademarks.

We are working with our trading partners to share information and improve our capabilities to assess and anticipate risks. We are already seeing early results of this effort with the European Union through the information sharing that’s begun on specific cases. We have followed up on the U.S./EU Economic



Ministerial held last year, where leaders of both governments committed to expand information sharing of customs data and information. The U.S. and the European Union, as part of a bilateral IP working group, are implementing an action plan to strengthen IPR enforcement, which includes greater customs cooperation.

The Department of Homeland Security's Immigration and Customs Enforcement (ICE) and the Department of Justice's Federal Bureau of Investigation (FBI)—two of the lead investigative agencies in the fight against both domestic and international IPR crime—jointly run the National IPR Coordination Center. The Center identifies and addresses developing IPR issues and trends and advances that information through outreach and training with foreign governments. The FBI currently serves as the co-chair of Interpol's IPR international training subcommittee and in that role provides regular IPR enforcement training to officials overseas. During CY 2006, ICE agents from the IPR Coordination Center have shared best practices and provided IPR training to foreign government and law enforcement officials at the International Law Enforcement Academies (ILEA) in Bangkok, Lima, El Salvador, and Botswana. Additional training was provided on eight occasions in Brazil (4), China (2), Trinidad (1) and Italy (1).

The tools and relationships developed under STOP! have produced tangible results. On September 28 and 29, 2006, the National Intellectual Property Rights Coordination Center (IPR Center) and the Office of the U.S. Coordinator for International Intellectual Property Enforcement hosted an IPR training and industry partnership conference in Chicago, IL. The conference featured key speakers from the IPR Center, the IP Coordinator's Office, ICE Commercial Fraud, the Department of Justice, the ICE Cyber Crimes Center (C³), Customs and Border Protection, as well as representatives from private sector industries. Approximately 150 key members from private sector and 70 law enforcement and government representatives met and discussed current IPR methods, issues, and best practices in order to expand the enforcement of IPR violations.

PURSUE CRIMINAL ENTERPRISES INVOLVED IN PIRACY AND COUNTERFEITING

“The Department of Justice is committed to working very closely with its partners as this Administration wages an unprecedented effort to crack down on the growing global trade in counterfeit and pirated goods.”

- Attorney General Alberto Gonzales

Law enforcement continues to play a leading role in dismantling criminal enterprises that steal intellectual property:

U.S. law enforcement agencies are working closely with industry to gather information, develop cases, and bring convictions against criminals who steal their IP. We need to be as sophisticated and creative as the criminals. It is important that government and industry work together with coordinated efforts.

The Department of Justice (DOJ) plays a key role in dismantling criminal enterprises that steal IP, improving international enforcement efforts, and ensuring that there are strong legal regimes for the protection of IP throughout the world. To that end, as part of the STOP! Initiative, the Attorney General formed an Intellectual Property Task Force to examine how it could maximize its efforts to protect intellectual property rights through two primary programs, the Computer Crimes and Intellectual Property Section (CCIPS) and Computer Hacking and IP (CHIP) Units, in addition to the work of the FBI. In October 2004, the first Task Force Report was released, and it included a set of recommendations on steps that DOJ could take to better protect IPR. U.S. law enforcement agencies, the Justice Department in particular, have achieved significant results as discussed below, described in more detail in recent Task Force Reports including the latest in June of 2006.



Increasing Criminal Prosecutions

- Convicted 57% more defendants of criminal copyright and trademark offenses in 2006 than in 2005. 39 of those defendants received terms of imprisonment of 25 months or more, a 130% increase from the 17 sentenced to such terms in 2005. In 2005, charged twice as many defendants with intellectual property crimes – a 98% increase.
- Initiated in 2006 the creation of seven new CHIP units in Austin, TX; Baltimore; Denver; Detroit; Newark, NJ; New Haven, CT; and Philadelphia. Five additional units had been created in 2005, thus representing a nearly 100% increase in Chip units over the past two years (from 13 to 25).
- Increased the total number of CHIP prosecutors nationwide to 230.
- Continued to dismantle and prosecute multi-district and international criminal organizations that commit intellectual property crimes, including:
 - Continued prosecution of targets from the two largest international enforcement actions ever brought against organized online piracy groups – Operations Fastlink and SiteDown. Each operation involved simultaneous enforcement actions in 12 countries. Agents conducted more than 200 searches and arrested numerous targets worldwide; seized hundreds of thousands of pirated works conservatively valued at more than \$100 million; and dismantled more than 20 online distribution centers of pirated works. In 2006 CCIPS attorneys continued to prosecute targets from these two operations. To date, more than 75 defendants have been convicted on felony copyright charges.
 - Shutting down a sophisticated international peer-to-peer network known as Elite Torrents, used by over 133,000 members, in the first criminal action against a Bit Torrent file-sharing network;
 - Highlights of prosecutions from several high profile cases in the last four months of 2006:
 - Seattle – November 2006: Washington man sentenced to five years in prison and ordered to pay Microsoft \$9.4 million in restitution for conspiracy to traffic in counterfeit Microsoft software and fraudulent licenses. Illegal business sold as much as \$20 million worth of counterfeit labeled software or software licenses.
 - Alexandria, VA – September 2006: California man sentenced to 87 months in prison and ordered to pay more than \$5.4 million in restitution for operating a massive, for-profit software piracy website. Defendant was believed to be the most prolific online commercial distributor of pirated software ever convicted in the U.S.
 - Miami – August 2006: Two Florida men sentenced to 97-month and 87-month prison terms for massive conspiracy to sell counterfeit goods, including but not limited to electrical cords, batteries and handbags bearing the counterfeit marks of Underwriters Laboratories, Duracell, Louis Vuitton and Gucci, respectively.
 - Boston – October 2006: The final two defendants of four defendants pled guilty to money laundering and trafficking in more than 30,000 luxury handbags and wallets, as well as materials used to make the counterfeits, worth more than \$1.4 million. The four conspirators used 13 self-storage units in Massachusetts as the home base for one of New England's largest counterfeit goods operations, selling the counterfeit handbags and wallets at flea markets and "purse parties" throughout the state.
 - Houston – September 2006: Licensed pharmacist sentenced to 2 years imprisonment for selling counterfeit and misbranded Cialis and Viagra from China.
 - Atlanta – September 2006: 11 individuals and an Atlanta-based company were indicted on charges related to a scheme to sell unapproved generic drugs over the internet. According to the indictment, the defendants marketed approximately 24 different drugs through spam advertisements, including versions of Ambien, Valium, Lipitor, and Vioxx. Instead of buying safe, authentic generic versions of these drugs from Canada, customers were actually unwittingly buying fakes manufactured in an unsanitary house in Belize



Improving International Enforcement

In January 2006, the Justice Department deployed an IP Law Enforcement Coordinator (IPLEC) for Asia, stationed in Bangkok, Thailand. This individual will work closely with prosecutors in the Department's Computer Crime and Intellectual Property Section and Office of International Affairs to oversee IP law enforcement training and assist U.S.-based enforcement efforts in the region. The Department expects to deploy another IPLEC for Eastern Europe in Sofia, Bulgaria in the coming months.

In 2005 alone, the Justice Department trained and provided technical assistance to more than 2,000 prosecutors, investigators, judges and IP experts from 94 countries regarding the protection and enforcement of IPR.

The Department has made important progress in improving criminal enforcement cooperation with China. In 2006, under the auspices of the U.S.-China Joint Liaison Group, DOJ chaired the first-ever IP Criminal Enforcement Experts Group. The institutionalization of this important law enforcement partnership should improve and facilitate ongoing and future operational cooperation on criminal IP cases of mutual interest.

The Department is also working closely with other G8 member countries in the G8 IP Experts Working Group, and last fall we led an initiative within the G8 Lyon-Roma Group to develop principles and recommendations for improved international cooperation on IP criminal enforcement matters.

Strengthening Laws

The Bush Administration has worked with Congress to strengthen laws and penalties related to intellectual property rights enforcement, including the:

- *Stop Counterfeiting in Manufactured Goods Act (SCMGA), H.R. 32 (March 2006)*
 - Prohibits the trafficking of counterfeit labels, emblems, containers or similar labeling components that may be used to facilitate counterfeiting; provides for forfeiture of articles bearing or consisting of a counterfeit mark and proceeds of any property derived from proceeds of, or used in the commission of, a violation; expands the definition of "trafficking" for certain counterfeiting crimes and clarifying that trafficking in counterfeit goods or labels includes possession with intent to traffic in such items.
- *Family Entertainment and Copyright Act, S. 167 (April 2005)*
 - Outlaws cam cording in movie theaters and provides a new 3-year felony for the distribution of a pre-release work by making it available on a publicly-accessible computer network. Recognizes the premium value of copyrighted works before they are released to the public.
- *Anti-Counterfeiting Amendments of 2004, H.R. 3632 (December 2005)*
 - Allows law enforcement officials to seize material and equipment used to make counterfeit products and labels.
- *Intellectual Property Protection Act of 2005*
 - The Department of Justice transmitted to Congress the Administration's proposed legislation entitled the "Intellectual Property Protection Act of 2005," a comprehensive reform package that would toughen penalties for intellectual property crimes, expand criminal intellectual property protections, and add investigative tools for criminal and civil intellectual property rights enforcement. Portions of this bill were incorporated into the SCMGA.



WORK CLOSELY AND CREATIVELY WITH U.S. INDUSTRY

“Protecting the ideas and technology of U.S. businesses is a critical task, and it is clearly on the front burner for the Bush Administration. We are devoting more time and resources to keep the pressure on the bad guys...”

- Secretary of Commerce Carlos Gutierrez

“Every day, we are using the tools of U.S. trade policy to build a critical infrastructure of market access, intellectual property protection... in markets around the world so that U.S. companies can fully harness the opportunities of growing markets.”

- U.S. Trade Representative Susan Schwab

We are conducting extensive outreach with U.S. industry and trade associations, and want to hear their stories. Companies need to be aggressive advocates of their own IP. We are working actively with the business community as we go forward. They are our eyes and ears on the ground and know better than anyone how inadequate IPR enforcement affects their businesses. We will continue to work together to find solutions and lead enforcement efforts.

We are working with U.S. and international trade associations such as the American Bar Association, American Chamber of Commerce in China, Business Software Alliance, Entertainment Software Association, International Chamber of Commerce, International Intellectual Property Alliance, International Federation of Phonographic Industries, Motion Picture Association, National Association of Manufacturers, The Pharmaceutical Research and Manufacturers of America, Quality Brands Protection Committee, Recording Industry Association of American, U.S. Chamber of Commerce and the U.S.-China Business Council, to name just a few.

Additionally, we are working with the Coalition Against Counterfeiting and Piracy (CACPP), a U.S. Chamber of Commerce and National Association of Manufacturers led initiative on the “No Trade in Fakes” program to develop voluntary guidelines companies can use to ensure their supply and distribution chains are free of counterfeits.

We have education campaigns that take place across America to teach small and medium-sized enterprises how to secure and protect their rights and where to turn for federal resources and assistance. It is important to note that only 15% of small businesses that do business overseas know that a U.S. patent or trademark provides protection only in the United States. Companies need to make sure that they register for intellectual property protection overseas. The U.S. Patent & Trademark Office hosted 10 Road Shows in 2006, reaching out to more than 1,400 small business attendees. Six of the road shows focused upon issues facing small-business and the other four concentrated upon China-specific issues.

With China, an important tool that we use to assist industry is the IPR Case Referral Mechanism (CRM). Upon invitation by China Ministry of Commerce (MOFCOM), the U.S. government submits individual U.S. company IP cases through MOFCOM to relevant Chinese agencies to facilitate their resolution where there has been a systematic failure of China's IP system. For the five American companies that have utilized the CRM, it has led to informative dialogues with relevant Chinese IP agencies and for some, positive progress on individual IP enforcement actions.



AGGRESSIVELY ENGAGE OUR TRADING PARTNERS TO JOIN OUR EFFORTS

"But while innovation will push our economies forward, a lack of fairness will hold us back. American businesses lose \$200 to \$250 billion a year to pirated and counterfeit goods. Innovation stimulates economic growth, but innovation will suffer without proper protection for intellectual property rights."

- Secretary of State Condoleezza Rice

We are reaching out to our trading partners and building international support. U.S. leadership is critical and we are active on a number of fronts:

When U.S. government officials meet with our global trading partners for bilateral and multilateral discussions, IPR protection and enforcement are always top priorities.

Promoting International Engagement:

G-8: In the 2006 G8 Leaders meeting, the G-8 Leaders took steps to strengthen efforts to combat piracy and counterfeiting, especially joint efforts to end trade in pirated and counterfeit goods. They also announced a strong, results-oriented work plan to accomplish this objective by strengthening international enforcement of IPR; and enhancing international coordination to fight the transnational networks that engage in IP crime.

APEC: President Bush and the APEC leaders endorsed two new Model Guidelines under the APEC Anti-Counterfeiting and Piracy Initiative. The Model Guidelines will help APEC economies secure supply chains against counterfeit and pirated goods and inform citizens about the importance of IP protection and enforcement. The leaders also embraced the principle that government offices must block copyright infringement on their computer networks, including over the Internet. We are currently working to implement and expand these model guidelines.

FTAs: Constant, high-level engagement to improve enforcement of IP has been a vital part of U.S. trade policy for many years. The importance of IP enforcement is reflected, for example, in the provisions of U.S. trade agreements and in the Administration's utilization of the "Special 301" provisions of U.S. trade law. The Bush Administration makes IPR a priority when negotiating new free trade agreements. Our free trade agreements (FTAs) provide cutting-edge protection for IP with strong rules to combat counterfeiting and piracy. This was seen in the recent Central America-Dominican Republic Free Trade Agreement (CAFTA-DR), as well as the recently concluded FTAs with Colombia and Peru. Over the past year, we worked closely with our CAFTA-DR partners and the governments of Australia, Morocco, Singapore and Bahrain to bring their IP enforcement regimes up to the high standards required by our free trade agreements. FTAs are currently being negotiated with Korea, Thailand, Malaysia, and the United Arab Emirates (UAE); and IP enforcement is an important component of each agreement.

OECD: Additionally, we have commissioned a study by the Organization for Economic Cooperation and Development (OECD) to examine the impact of global counterfeiting and piracy. Our interagency team has held several meetings with OECD officials to follow-up and assist with this study. We are looking for sound, reliable, and accurate information to be produced, so that we may have accurate metrics that can be used effectively by senior government officials and industry to develop sound policy going forward.

SPP: The Administration has also launched a cooperative effort under the Security and Prosperity Partnership (SPP) with Canada and Mexico to develop a strategy for combating piracy and counterfeiting in North America. The Governments of the United States, Canada, and Mexico continue to review the draft Action Strategy and intend to finalize the strategy in 2007, as promised. The Action Strategy has three



components: Detection and Deterrence, Public Awareness and Outreach, and Metrics/Measuring Success. The SPP IPR Working Group is tentatively planning to hold its next meeting in February in Mexico.

European Union: In January 2006, we first met with European Union officials at the White House for a series of meetings to address global piracy. The latest round of U.S.-EU Intellectual Property Working Group meetings was held February 1-2. We are breaking new ground and have begun to expand our cooperation with the EU—focused initially on customs enforcement; strategy development to address problems in third countries; international cooperation; and increased collaboration with the private sector.

Japan: Japan is one of our key international partners in the fight against counterfeiting and piracy. We continue to work with Japan under STOP!, especially on the APEC initiatives discussed above. For example, in March 2006, Secretary Gutierrez and Japan's Minister of Economy, Trade, and Industry announced expanded bilateral cooperation on IP protection and enforcement. This cooperation will allow the two countries to confront the growing problem of global piracy and counterfeiting together. Highlights of the new agreement include increasing assistance and education for SMEs; sharing information on IP enforcement activities; strengthening technical assistance to third countries; and streamlining the patent process. And, in January 2007, Secretary Gutierrez and Minister Akira Amari announced a patent cooperation program—to begin in July—which will streamline patent application procedures for our two countries

India: In March 2006 during President Bush's visit to India, a joint statement was released stating that the U.S. and India would work together to promote innovation, creativity, and technological advancement by providing a vibrant intellectual property rights regime; and cooperate in the field of intellectual property rights to include capacity building activities, human resource development, and public awareness programs.

Building on President Bush's visit to India in March, U.S. IP Coordinator Chris Israel has led two missions to India to discuss issues of IP policy, enforcement and trade. His delegations have met with Indian government officials – at both the Central and State Government level; and engaged both U.S. and Indian private-sector stakeholders, academics, and legal practitioners to continue our efforts to promote increased trade and economic development through effective IP protection. While in India, Coordinator Israel announced the Bush Administration's framework for engaging India on intellectual property and trade promotion. This plan revolves around three key areas, which include: Bilateral cooperation, education, and engaging both U.S. and Indian industry. Bilaterally, we are working with India on IP through our Trade Policy Forum, High Technology Cooperation Group, and the Commercial Dialogue. With the placement of a Bush Administration IP Attaché in New Delhi, we plan on continuing our capacity building and educational outreach efforts with the Indian Government and industry.

Also, in important step in U.S.-India cooperation on IP enforcement issues, Under Secretary Jon Dudas, Director of the U.S. Patent and Trademark Office and Indian Secretary of the Ministry of Commerce and Industry Ajay Dua signed a Memorandum of Understanding (MOU) on Bilateral Cooperation between the United States and India on intellectual property issues.

India has made some progress on IP enforcement, and we are committed to continuing to work with India as they fine-tune their IP legal framework and develop an effective system to enforce IPR.

Training and Capacity Building: The U.S. has conducted several hundred IP training and capacity building programs around the world to improve criminal and civil IP protection. To that end, the USPTO has established a Global Intellectual Property Academy to consolidate and expand our training programs for foreign judges, enforcement officials and administrators. The State Department's Training and Coordination Group improves interagency and private sector coordination on IPR foreign law enforcement training.



Highlights of our Training and Capacity Building Programs:

- Brazil - Since 2001, the U.S. government has sponsored nearly 30 IP-related programs involving Brazilian government officials, nearly half of which took place in Brazil.
- Russia - Since 2001, the U.S. government has conducted well over 20 training and capacity building programs involving Russian government officials.
- India - The U.S. government has conducted more than 15 IP training and capacity building programs with Indian officials, and we continue to conduct conferences to train Indian academics and officials on IP enforcement and WTO TRIPS obligations. In addition, the USPTO, CBP, and the Coordinator's Office will lead a training program for India Customs officials in March 2007.
- China - Since 2001, the U.S. government has conducted well over 70 training programs involving Chinese government officials.

Addressing Global IP Enforcement Concerns:

China: The U.S. government is working on many fronts to engage China on IPR concerns, and under President Bush's leadership, we have developed an effective China IP strategy. The Bush Administration's China IP strategy is built on four pillars: bilateral engagement; effective use of our trade tools; expanding law enforcement cooperation; and working with the private sector. We are utilizing all of our resources to effectively implement our approach.

In December 2006, the first meeting of the Strategic Economic Dialogue (SED) was held in Beijing between cabinet-level officials of both governments to address many important issues for the U.S.-China trade and economic relationship. Led by Treasury Secretary Hank Paulson, the SED—as with the U.S.-China Joint Committee on Commerce and Trade (JCCT)—concentrates upon a number of important trade issues, of which IP enforcement is an important priority.

In February 2006, Ambassador Portman announced the results of a top-to-bottom review of U.S. trade policy with China, which has since been bolstered by a China Provincial Review within the Special 301 process. The report identified weak protection and enforcement of intellectual property rights as one of China's greatest shortcomings and laid out several aggressive steps taken by the United States in 2005 in an effort to obtain meaningful progress from China in this area.

Additionally, Ambassador Clark Randt at our Embassy in Beijing holds an annual IPR Roundtable which brings together senior U.S. and Chinese officials and U.S. business representatives. The Roundtable gives U.S. rights holders the opportunity to discuss the problems they are facing and find the solutions that they need. Also, our Embassy and Consulate officers on the ground are a valuable asset for U.S. companies. They play a critical role as “first responders,” helping U.S. businesses resolve cases when their rights are violated.

Russia: The U.S. and Russia recently signed a WTO accession agreement which brings Russia another step closer to WTO membership. Ambassador Schwab, along with other U.S. officials, has continually raised the issue of intellectual property protection with their Russian counterparts, stating that IP enforcement is a shared responsibility within the Russian government. Recent positive statements made by President Putin recognize that IP protection is both an economic issue for the Russian government and a public health concern for the Russian people. The Russian government needs to take steps to curb the high rates of piracy that exist in Russia and demonstrate that its enforcement efforts are providing deterrence and producing results, commensurate with their new WTO member status. Also, the work of the U.S.-Russia IP Working Group remains a high priority, as the United States, through USTR, and Russia work to address a number of IPR-related issues and steps that need to be taken.